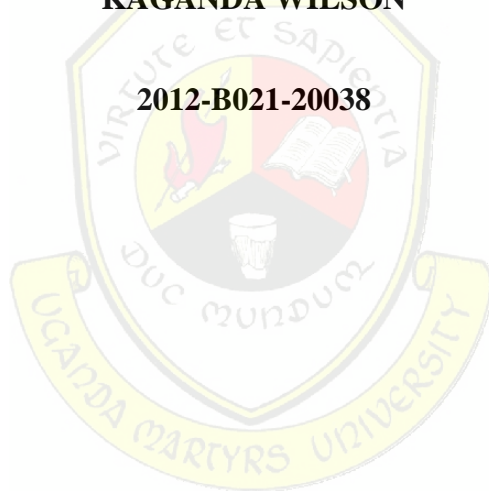


THE IMPACT OF MARKETING STRATEGIES ON SALES PERFORMANCE

CASE STUDY: UGANDA CLAYS LIMITED

KAGANDA WILSON

2012-B021-20038



UGANDA MARTYRS UNIVERSITY

APRIL, 2015

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**AN UNDERGRADUATE DISSERTATION PRESENTED TO THE FACULTY OF
BUSINESS ADMINISTRATION AND MANAGEMENT IN PARTIAL FULFILMENT
OF THE REQUIREMENTS FOR THE AWARD OF THE DEGREE OF BACHELORS
OF BUSINESS ADMINISTRATION AND MANAGEMENT**

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DEDICATION

I dedicate this research to my lovely Dad Kaganda Richard and Mum Nandawula Norah for their guidance, financial and emotional support bestowed unto me all thought my studies otherwise I wouldn't have made it up to this point.

I also dedicate it my dear relatives who have given me the strength to carry on even when I had lost hop, thanks for the support.

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ABSTRACT

The purpose of the study was to determine the effect of marketing strategies on sales performance. This study was conducted at Uganda Clays Limited in Kajjansi along Entebbe road.

This study was based on the objectives which included finding out how product innovation affects sales performance, how promotions affect sales performance and finally analyze the impact of pricing on sales performance at Uganda Clays Limited.

The research design included both descriptive methods and the data that was used included both primary and secondary. The primary data was collected using questionnaires. The study covered a sample of 48 respondents. Stratified sampling was used. Interviews and questionnaires were used as instruments for data collection.

Findings on product innovation revealed that Uganda Clays Limited carries out product innovation but on rare occasions; it was also found out that the company does not involve in minor innovations so as to promote its sales. Findings on promotion and sales performance indicate that promotion affect consumers purchase of Uganda Clays products either to purchase them in large or in small amounts. Findings also indicate that sales promotion when implemented effectively often results in an increase in the short term sales figure. Findings on pricing and sales performance revealed that Uganda Clays Limited does not use pricing strategy as a marketing tool and neither does it use it for maximizing its profits. Uganda Clays Limited bases on the benefit of the product to set its prices. Failure to use pricing strategy as a marketing tool and carrying out minor innovations cost the company sales. The company further more has got an under covered and due to lack of financial resources has set up few branches and this has lead to the low performance levels.

The researcher recommended Uganda Clays Limited management to involve itself in minor innovations. In addition Uganda Clays Limited should carry out prompt promotions so as to create awareness to the public about the availability of clay products that are offered for sale and finally Uganda Clays Limited should consider using pricing strategies as a marketing tool as customers are price sensitive.

CHAPTER ONE

1.0 Introduction

This chapter includes the background of the study, statement of the problem, objectives of the study, research question, scope of the study, significance of the study, justification of the study, definition of key terms and finally the conceptual framework. The study intends to determine the different marketing strategies and how they affect the sales performance of Uganda Clays Limited.

1.1 Background of the study

Marketing strategy is the set of integrated decisions and actions, by which a company wants to recognize and meet customer needs in order to achieve marketing goals. Intense competition in an increasingly global environment has triggered renewed interest in the marketing function. Where marketing functions are applicable, there will be competitive success to a company and this is possible if an appropriate matching exists between marketing and other functional activities of company. Marketing strategy is concerned with activities relating to context analysis at Macro and Micro level, competitor and customer analysis, segmentation, targeting, and defining an appropriate positioning based on marketing mix: product, price, and place and promotion decisions (Henry.M, 2010). Since, the objective of this study is to draw conclusions about the effect of marketing strategies on sales performance, we see that sales performance can be looked at in many different aspects which include profit levels, orders placed and met. Sales performance can indicate the rate of customer loyalty to the business or a specific employee. Customer loyalty refers to customers who regularly purchase products or consume services from the business as well as refer other customers to the business. Any company that sells products to

customers uses a form of sales performance measurement to evaluate an employee's quality of work and help pinpoint development areas. (Leslie Brennan, 2007)

According to Martin Alikar, the Uganda Clays Chairman noted at the companies' annual general meeting at Sheraton Kampala Hotel that the Kamonkoli branch has been performing below potential due to a relaxed trading strategy in Kenya. (Samuel Sanya, 2013). Uganda Clays Limited is the leading manufacturer of quality baked clay building products in Uganda. The Company manufactures well over 40 items of building materials from clay excavated using surface mining techniques. Uganda clays limited deals in a number of building products which make it outstanding on the market at the current situation. Diversification of the products has given Uganda Clays Limited a competitive advantage.

1.2 Statement of the problem

Marketing objectives and strategies define the amount of profit, revenues and market base which are important aspects in fulfilling the mission and defining the choice of marketing mix for achieving objectives in individual market segments (Noble.C.H, M .P 2006). Organizations with low profits have to reconsider their marketing objectives and strategies so as to improve upon their sales performance.

Despite the fact that the different marketing strategies employed by Uganda Clays Limited like product innovation, pricing and promotions, having many sales outlets for example Ntinda (Kisaasi), Lugogo, Mbarara, Nateete and Juba (Southern Sudan), sales performance in terms of profits have persistently declined. This is evidenced by Uganda Clays Limited annual report of 2009 and 2010. In 2009, it made a loss of shillings 707,062,000 which increased to a loss of shillings 3,858,961,000 in 2010. Salima Nakiboneka, an analyst with Crested Stocks and

Securities, stated that besides cutting production costs, the firm is still experiencing low sales and therefore should check on their marketing structure. (Alon Mwesigwa, 2014) Therefore there is need to carry out this research to find out the different marketing strategies that maybe employed by the company so as to improve on their market

1.3.0. Objectives of the study

1.3.1. Major objectives

To analyze the impact of marketing strategies on sales performance of companies

1.3.2. Specific objectives

- i. To determine how product innovation affects sales performance of Uganda Clays Limited
- ii. To find out how promotions affect sales performance of Uganda Clays Limited
- iii. To analyze the impact of pricing on sales performance of Uganda Clays Limited

1.4. Research question

- i. How does product innovation affect sales performance of Uganda Clays Limited?
- ii. How does promotion impact on sales performance of Uganda Clays Limited?
- iii. What is the impact of pricing on sales performance of Uganda Clays Limited?

1.5 Scope of the study

1.5.1 Geographical scope

The study was conducted at Uganda Clays Limited that is located in Kajjansi 14km along Entebbe road, opposite Total which is the main Branch.

1.5.2 Time scope

The study will be carried out within the period of five years that is to say from the year 2010 to 2014.

1.6 Significance of the study

- i. The research will help the marketing manager of Uganda Clays Limited to determine the relationship between marketing strategies and sales performance.
- ii. The study will be helpful to management in determining which marketing strategies are appropriate for the company and determine the areas of weakness and strength in the available set strategies
- iii. The study will also be helpful to other researchers who may be looking for information to conduct further studies.

1.7 Justification of the study

The study should be carried out now to increase on the sales performance Uganda Clays Limited. There is need to generate information that will be used by the management of Uganda Clays Limited particularly the marketing department so as to improve on the sales performance in the foreseeable future.

1.8 Definition of the key terms

Marketing Strategy is defined as a process that can allow an organization to concentrate its resources on the optimal opportunities with the goals of increasing sales and achieving a suitable competitive advantage

Marketing strategy; marketing strategy is a measure that is undertaken by company or business entity to improve on their marketing Mix

Sales performance; A sale may be the exchange of goods or services for an amount of money or its equivalent whereas performance is the extent to which the sales have been achieved.

Performance can be in terms in sales or output produced and positioning in the market place.

Product; is bundle of physical, service, and symbolic attributes designed to satisfy consumer wants

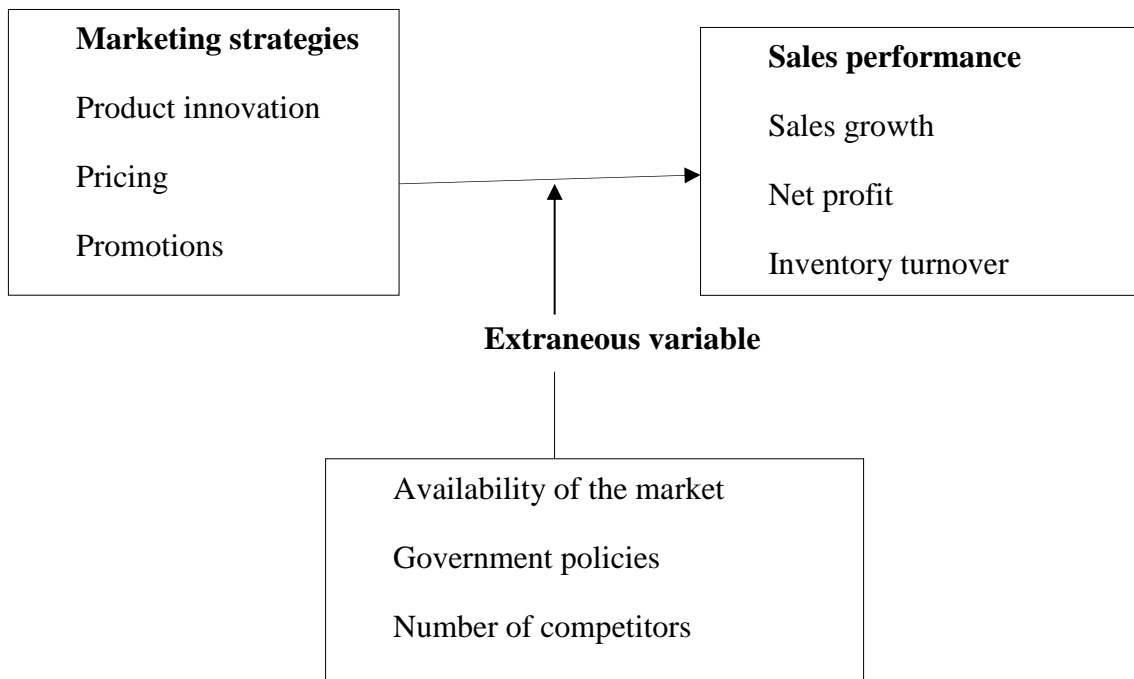
Pricing; is the process of determining what a company will receive in exchange for its products.

Promotions; is one of the market mix elements and a term used frequently in marketing.

1.9 Conceptual framework

Independent variables

Dependent variables



Source: Adopted from Kotler P. and Armstrong G. (2007). *Principles of Marketing*, Ninth edition, Prentice-Hall and modified by the researcher.

The figure above shows the relationship between marketing strategies, extraneous variables, and sales performance of an organization.

An introduction of a new product may affect the sales of an organization either positively or negatively, people react differently in relation to products and their features. Promotion is a marketing mix element that comprises of sales, consumer, price and many others. Such elements either improve or decline the market base of a company hence will have a great impact on the organization. Pricing is another element that affects sales performance. This is seen in an economy where customers are very sensitive to prices. Where a small reduction or increase in the price of a commodity or service will automatically lead to a drastic change in the quantity of commodities or services demanded and supplied

Extraneous variables will affect marketing strategies and sales performance in the following ways; government policies for example taxation, land policies, regulating the production levels; will affect the prices of the products and this will or force the company to increase or decrease the prices of its products. They will also affect the levels of promotions in such a way that if there are promotional strategies prohibited by government, then the organization will have to adopt change respectively. The number of competitors affects the sales performance of an entity where there are many suppliers of the product in question then customers may opt however for the products of the competitors. Such factors are external and may not be controlled by the company and thus have to be considered.

CHAPTER TWO

LITERATURE REVIEW

2.0 Introduction

Marketing can make a difference! Whether selling tiles, bricks or clay building supplies among others. The differences between profitability and bankruptcy could be the presence or absence of a well-defined marketing plan. Numerous studies have firmly established the relationship between marketing and business performance (Kotler, 2008). Marketing has broad applications, regardless of the type of business or the type of problems. In this study, we discuss the various marketing types that can improve the bottom line performance of business or companies.

According to the American Marketing Association, one of the world's largest associations of professional marketers, "Marketing is the process of planning and executing the conception, pricing, promotion, and distribution of ideas, goods, and services to create exchanges that satisfy individual and organizational objectives." That takes into account that marketing is a managerial process involving "planning and executing" and that there are four main areas of marketing activities, sometimes known as the "4 Ps." These are the conception of a product, followed by its pricing, promotion and distribution. Moreover, marketing can pertain to any offering (ideas, goods and services) and, lastly, the goal of marketing is to create satisfactory exchanges among willing parties. (Aaker, D. A and E. Joachimsthaler, 2006)

2.2 Marketing strategies

A strategy is a long-term plan to achieve certain objectives. A marketing strategy is therefore a marketing plan designed to achieve marketing objectives. For example, marketing

objective may relate to becoming the market leader by delighting customers. The strategic plan therefore is the detailed planning involving marketing research, and then developing a marketing mix to delight customers. Every organization needs to have clear marketing objectives, and the major route to achieving organizational goals will depend on strategy. (E:\marketing\marketing-strategy1111.html)

Any value-adding strategy should take the objectives of relationship marketing, for example “establishing, maintaining and enhancing relationships with customers...at a profit, so that the objectives of the parties are met” (Grönroos, 2009)

According to (King, 2010), in a truly great marketing organization, you cannot tell who is in the marketing department. Everyone in the organization has to make decisions based on the impact of the customer.

Traditionally, marketing is viewed as an intermediate function, where the specialists of the marketing department are the only persons who have an impact on the customers' views of the firm and on their buying behavior. Employees in other departments are neither recruited nor trained to think marketing, nor are they supervised so that they would feel any marketing responsibilities (Pearce, J.A. and Michael, S.C. 2011). In this approach, the core of marketing is the marketing mix. In many consumer packaged goods situations, this conceptualization of marketing functions sufficiently well. If the product is a pre-produced item with no needs for service or other contacts between the firm and its customers, marketing specialists are clearly capable of taking care of the customer relationships. Good market research, packaging, promotion, pricing, and distribution decisions by the marketing specialists lead to good results. Marketing is to establish, maintain, enhance and commercialize customer relationships often but not necessarily always long term relationships so that the objectives of the parties

involved are met This IS done by a mutual exchange and fulfillment of promises (Christian Gronroos, 2006)

Most businesses find it easier to formulate strategies that outline how they intend to achieve their goals than how to implement them. Literature suggests that an important cause of such strategy implementation difficulties is the way businesses organize their marketing activities. In particular, marketing theory posits that to enable strategy implementation and achieve superior performance, managers should organize marketing activities in different ways depending on their business strategy (Noble and Mokwa, 2008).

However, organizing marketing activities in ways that successfully enable business strategy implementation is recognized as one of the most difficult challenges facing managers (Cespedes, 2005)

Modern marketing logic, as derived from economics, advanced a view of the firm and the customer as separate and discrete; the customer is exogenous to the firm and is the passive recipient of the firm's active value creation efforts, and value is created in the factory. Research across disparate streams of management literature from new product development, to services dominant logic, to consumer culture theory leads to the view that customers can co create value, co create competitive strategy, collaborate in the firm's innovation process and even become endogenous to the firm(Etgar, 2008),

An economic crisis requires some changes to be made in the general marketing strategies and particularly to the four main elements of the marketing mix: product, price, place and promotion. In terms of general strategy, companies need to withdraw from those markets in which they are not the main players and concentrate their resources on those in which they are

strong (Ang et al., 2009, p. 109).

It is suggested that increasing marketing expenditures, or at least maintaining the same level as before the crisis, will increase company performance. According to a study based on the Pakistan Institute of Medical Sciences (PIMS) database (Roberts, 2005), those businesses that increased marketing spending were not significantly less profitable during recession. Furthermore, their profits increased dramatically faster once recovery had started unlike those of firms that had cut their marketing budget, whose profitability actually fell despite the recovery. Furthermore, businesses that increased their marketing budgets during a recession gained market share three times as quickly as those that had cut them. The consensus, therefore, is that companies should plan their marketing budgets for the long term and maintain spending in the short term, in order to survive during the hard times and be profitable in the future. It is said that the most basic company strategy related to product policy during periods of crisis is to withdraw weak items from the market. Since, consumers place emphasis on the durability of products at such times, characteristics such as economy, durability, and functionality should be given high priority in the development of new lines. It will further be advisable to allocate extra effort to research and development, in support of new products (Williamson, 2005, p. 31)

2.3 Sales performance

Individual objective sales performance, which we refer to as “sales goal achievement,” was defined as actual revenue generated expressed as a percentage of an individual’s revenue target. Sales revenue targets were set at the corporate level. Company Goodhearted used historical benchmarking to ensure that salespeople were assigned revenue goals of equal

difficulty. As part of the company's total quality management efforts, the sales performance measure assessed an individual's sales performance against benchmarks that were calculated to take into account the products individuals were selling (Colletti, J. A., & Fiss, M. S. 2006)

The managerial forces are the growth in direct marketing techniques, development of effective relationships between sales and marketing, and recognition of the importance of professional qualifications. Besides deciding personal selling objectives and strategies, and designing the sales force, the company has to manage the sales force. This requires setting specific salesperson objectives, recruitment and selection, training motivation and compensation, and evaluation of sales people. This in turn will increase the performance of sales persons thereby increasing on performance.(David Jobber, 2010)

Evaluation of the total personal selling function is necessary to assess its overall contribution to marketing strategy. The results of this strategy may lead to more cost efficient means of servicing accounts being introduced, the realisation that the selling function is under resourced, or the conclusion that the traditional form of sales organisation is in need of reform (Aaby, N.E. and Slater, S.F.2012). Evaluation of the personal selling function should also include assessing the quality of its relationship with marketing and other organisational units. Sales people that manage the external relationship with distributors must collaborate internally with their colleagues in marketing to agree joint business objectives and to develop marketing programs that meet the needs of distributors, as well as consumers, so that they are readily adopted by them. (Aaker, D. A and E. Joachimsthaler, 2005)

2.4 Product innovation and sales performance.

Marketers broadly define a product as a bundle of physical, service, and symbolic attributes designed to satisfy consumer wants. New products provide increased sales, profits, and competitive strength for most organizations (Cooper, 2005). On the other hand, nearly 50 percent of the new products that are introduced in the market place each year fail, causing considerable financial loss and embarrassment to their promoters (Business Week 2007; Zirger and Maidique, 2007).

Product innovation is assumed to increase consumer utility but is effective only if the innovating firm invests in marketing, so that consumers become aware of the newly developed product. Firms first decide whether or not to conduct product innovation and then determine their expenditure for bringing the new product to the market. In the final stage of the game, they are involved in competition on the product market. Key findings of the theoretical model are that both the marketing of a product innovation and a firm's propensity to introduce an innovation decrease with an increase in the number of competitors and the degree of product substitutability. (Kaiser, Ulrich, 2006)

The distinction between the terms benefits and features is an important concept in developing and marketing a product or service. Features are characteristics that your product or service does or has. Client satisfactions are the reasons customers buy the product or service. For example, the benefits of some ovens to buyers include safety; ease of use, affordability, or in the case of many ovens that feature stainless steel casings prestige. Features can communicate the capability of a product or service. But features are only valuable if customers see those particular

features as valuable. You want products or services with features which customers perceive as valuable benefits. By highlighting benefits in marketing and sales efforts, you will increase your sales and profits. It is important to remember that customers buy products and services because they want to solve a problem or meet a need. Given that benefits are ultimately more important to your customers than features, it is imperative that you understand the benefits your products and services provide, emphasize these benefits in your sales efforts, and update your products and services when new or additional benefits are desired by your customers. (Ewing Marion, 2007)

Therefore, product strategy involves considerably more than producing a physical good or service. It is a total product concept that includes decisions about package design, brand name, trademarks, warranties, guarantees, product image, and new-product development. The creation of new products is the lifeblood of an organization. Products do not remain economically viable forever, so new ones must be developed to assure the survival of an organization. For many firms, new products account for a sizable part of growth in sales and profits. The 260 new products General Mills introduced in the past ten years account for nearly one-third of the firm's U.S. food sales (Steve Weiner and Janis Bultman, 2014)

New-product development is expensive, time consuming, and risky. Only about one-third of new products become marketplace successes. Products fail for a number of reasons. Some are not properly developed and tested, some are poorly packaged, and some have inadequate promotional support or distribution. Other products fail because they do not satisfy a consumer need or want (Joshua Hyatt, 2008).

Innovativeness; The innovativeness, or relative advantage of new products, is a consistently important determinant of accelerated consumer adoption rate and new-product

success. Based on venture portfolio theory, the extent of innovation in new products can be classified based on two dimensions: new-to-the-company and new to the market. The first dimension measures the extent to which the new product introduction is innovative compared to the firm's existing products. The second dimension measures the extent to which the firm's new product is a new introduction to the market (Bayus, Erickson and Jacobson 2008).

New-to-the-Company Innovation Level; Renewing one's products is widely regarded as necessary for long-term survival and as an engine of growth, thus enhancing cash flows and future profitability. Recent evidence on new-product introductions, in the context of the PC market, suggests that enhancement in cash flows occurs due to reduced selling and general administrative expenses (Chaney, Devinney and Winer 2006; Sorescu, Shankar and Kushwaha 2007).

On average, the higher the new product's improvement over previous versions, the higher its long-term financial performance and firm-value impact. In line with J.D. Power and Associates' expert rating scale, we consider the range from mere trimming and styling changes to 'design' and 'new benefit' innovations to brand entry in a new category in the empirical analysis. Developing new products faster and moving them into production can accelerate cash flows from product innovation. In contrast, many products have failed to realize their potential because of insufficient attention to speeding up the market acceptance cycle for these products. Large companies, especially, have been criticized for delaying the renewal and upgrade of their product offerings in the face of changing consumer preferences. Furthermore, the success of innovations depends on the timely adoption of the innovation by consumers, with both consumer and market factors being important drivers of the trial probability (Gielens and Steenkamp 2010). Companies can reduce the vulnerability of their cash flows by completing their product portfolio

with new-to-the-company products that allow them to address new consumer segments.

Furthermore, synergies between and within product lines, including sharing components and design elements across such different products, can reduce production costs and inventory risk (Fisher, Ramdas and Ulrich 2007). Additionally, a higher innovation level may also increase the residual value of the company. In the face of shifting demand and fickle consumer preferences for the newest products, brands with more improvements from one model to the next are more likely to remain fresh and thus relevant to today's and tomorrow's consumers (Pauwels et al. 2005).

Combined with the U-shaped demand impact, financial performance thus shows a U-shaped impact of innovation level (Pauwels et al. 2005). Between minor updates and new market entries, the latter are better news for the firm's future value, as "products high on newness provide an especially strong platform for growth". While minor innovations are necessary to maintain the stable stream of cash flows from "bread-and-butter" products, major product updates are better able than minor product updates to enhance cash flows and thus stock returns. In sum, we expect the stock-return benefits to have a U shaped relationship with each innovation level in this scale, with a preference for new market entries over minor updates (Gielens and Steenkamp 2007).

Pioneering Innovations; While new-product introductions benefit stock returns on average, new to-the-market products have a higher impact (Chaney, Devinney and Winer2010). The new-product literature has consistently related innovation success to the product's ability to provide benefits and features not offered by alternative product. Pioneering innovations have better potential to unlock previously unmet customer needs and thus ultimately surpass me-too innovations in terms of enhancing cash flows (Kleinschmidt and Cooper 2009).

It is not clear a priori whether or not pioneering innovations will accelerate cash flows compared to other innovations. On the one hand, relative advantage is a consistently important determinant of accelerated adoption rate (Holak and Lehmann 2009). On the other hand, consumers may also consider pioneering innovations riskier, which delays adoption (Gatignon and Robertson 2007). Finally, pioneering innovations also stand out as reducing cash flow vulnerability and raising residual value. Indeed, while the short-term risk may appear higher, pioneering products also have option value; i.e., they “offer the possibility for greater long-term financial gain given the possibility of revolutionizing the category”. Firms can reduce the vulnerability of their cash flows by staying ahead of competition in product innovation and introducing hard-to-copy new products. Moreover, investors may view such pioneering innovations both as platforms for future product introductions and as signals that the firm is successful in the innovation process itself. Therefore, their view of the residual value of the firm is likely enhanced. Finally, pioneering innovations offer new strategic choices for the firm by providing the opportunity to leverage these innovations to future products. Radical pioneering innovations are likely to increase the volatility of cash flows in the short run but can eventually lead to stable cash flows (Moorman and Miner 2012).

2.5 Promotion and sales performance.

Sales promotions are comparatively easy to apply, and are likely to have abrupt and considerable effect on the volume of sales (Hanssens, Parsons and Schultz 2013). Resultantly, according to Currim and Scheinder (2011) the finances of companies regarding the marketing increase constantly. Research conducted by Ailawadi and Neslin (2007) had revealed that consumer promotions affect the consumers to purchase larger amount and consume it faster; causing an increase in sales and ultimately profitability.

Products or services need the support of well devised schemes of promotion. It is a good idea to plan how you will promote what you are selling with leaflets, advertisements in newspapers and many others. Do not do it in a haphazard way but plan it over the year. Sales promotions are relatively easy to implement and tend to have immediate and substantial effects on sales volumes (Hanssens, Parsons, and Schultz 2008)

The research conducted by Pwael, Silva-Risso and Hanssens (2012) depicts that the effect of sales promotion on firms' revenue which they call as first line performance, firms' income which is bottom line performance and on market to book value ratio which is named as firms' values is encouraging for the short term. While in the long run the sales promotion is positive for top line performance but it is negative for bottom line performance and firm's value. This proves the fact that impact of sales promotion on the value of firm is not in the long run, but in the short run it has positive impact the profitability of the firm. The study conducted by us combines this aspect with the long term impact of sales promotion. (Silva-Risso and Hanssens 2009)

Koen Pauwels (2005) has examined the permanent impact of sales promotion on accumulative annual sales for two product categories; storable and perishable products. It was found that perishable and storable product categories lack permanent effects of sales promotion. Furthermore it is revealed that the effects of sales promotion are short lived and persist only on average two weeks and at most eight weeks for both product categories. Therefore confirming the short term impact of sales promotion, Smith (2006) has described that there are three main categories of Sales Promotions

Consumer promotion; is a category of sales promotion including free samples, winning contests, different price packs, and sweep stakes. Sales promotion is projected to increase the

sales of final ultimate consumers of the product. Some kinds of sales promotion are based on some sort of benefit whereas some are very communicative in type. (Kotler et al, 2012).

According to previous researches consumer Promotion of any product leaves an impact on the acquiring behaviors of the consumers for a particular product or brand that the consumer will not buy otherwise (Alvarez and Casielles, 2005). However another study conducted by (Dawes and Rowley J 2008) have revealed the fact that purchasing a particular product which is on promotion can reduce the chances of succeeding buying of that particular product.

Conclusively, sales promotion has been seen to focus on customer relationship management, free gifts, free sample, price discount, etc. If an organization effectively implements sales promotion techniques, it will not only encourage large purchase but it will also increase the sales performance of an organization, invariably leading to the achievement of the stated objectives. Encouraging purchase of large size unit; Sales promotion consists of diverse collection of incentive tools, mostly short term designed to stimulate quicker or greater purchase of products or service by consumer e.g. the use of premiums, product warranties etc. stimulate consumer purchase in larger quantities (Rotimosho, 2007).

Generating trials among non-users; Trials among non-users of a product is generated through invitation of prospective purchasers to try the product without cost or little cost with the hope that they will buy the product; persuading retailers to carry new items and higher level of inventory. Sales promotion encourages retailers to give shelf space to new products. Manufacturers provide retailers with financial incentives to stock new products. Encouraging off season buying, sales promotion has also encouraged off season buying especially during the festive periods, people tend to buy more of a particular product because of the added value, compared to normal season. Building brand loyalty, Sales promotion helps to build brand loyalty

by giving the seller the opportunity to attract a loyal and profitable set of customers which provides sellers some protections from competition and greater control in planning their marketing mix (Shira, 2009).

Sales promotion when implemented effectively often results in an increase in short term sales figure. This explains the inclination of corporations to put in a large percentage of their funds in carrying out various sales promotion activities. However variations occur in effects of sales promotion based on the attractiveness of the concerned brand (Alvarez, 2005). Sales promotions are useful tools which act as demand booster that do not sustain the risk associated with the new products. (Blattberg, RobertC., & Neslin, 2009)

Promotion is generating positive information about your product or service and generating a positive image. But social businesses don't just need to promote their products to customers; they must also promote themselves to funders, supporters, service-users and stakeholders (MacLeod, Mary D., Lawrence L. Garber, Michael J. Dotson, and Terry M. Chambers 2010)

The three basic objectives of promotion are; to present product information to targeted consumers and business customers, increase demand among the target market, differentiate a product and create a brand identity. A marketer may use advertising, public relations, personal selling, direct marketing, and sales promotion to achieve these objectives. Promotional mix specifies how much attention to give each of the five subcategories, and how much money to budget for each. A promotional plan can have a wide range of objectives, including: sales increases, new product acceptance, creation of brand equity, positioning, competitive retaliations, or creation of a corporate image.

(<https://www.boundless.com/marketing/textbooks/boundless-marketing-textbook/an-overview-of-marketing-1/introduction-to-marketing-18/products-placement-promotion-price->

108-4454/)

Promotion refers to activities undertaken to increase sales or enhance the image of a product or business. Promotional activities are important for maintaining customer traffic throughout the market season used early in the season to draw customers to your business and during the season to maintain customer traffic levels during slow periods. Unfortunately, the benefits of advertising and promotion for direct farm marketers have yet to be consistently demonstrated. Promotion of farm products appears to be effective in some cases, but not in others. The potential for successful advertising and promotion is increased when products are clearly differentiated, are of exceptionally high quality, are very seasonal in nature or are new offerings (Bonoma, Thomas V 2008).

“Promotion” refers to the advertising and selling part of marketing. It is how you let people know what you’ve got for sale. The purpose of promotion is to get people to understand what your product is, what they can use it for, and why they should want it. You want the customers who are looking for a product to know that your product satisfies their needs. To be effective, your promotional efforts should contain a clear message targeted to a specific audience reached via an appropriate channel. Your target audience will be the people who use or influence the purchase of your product. You should focus your market research efforts on identifying these individuals. Your message must be consistent with your overall marketing image, get your target audience’s attention, and elicit the response you desire, whether it is to purchase your product or to form an opinion. The channel you select for your message will likely involve use of a few key marketing channels. Promotion may involve advertising, public relations, personal selling, and sales promotions (Alvarez, B. A., and Casielles, R. V. 2005).

A key channel is advertising. Advertising methods to promote your product or service

include the following. Radio advertisements are relatively inexpensive ways to inform potential local customers about your business. Mid-to-late week is generally the best time to run your radio advertisements. Television; allows access to regional or national audiences, but may be more expensive than other options. Print; Direct mail and printed materials, including newspapers, consumer and trade magazines, flyers, and a logo, allow you to explain what, when, where, and why people should buy from you. You can send letters, fact sheets, contests, coupons, and brochures directly to new or old customers on local, regional, or national levels. Electronic; Company Web sites provide useful information to interested consumers and clients. Password-protected areas allow users to more intimately interact with you. Advertisements allow broad promotion of your products. Direct e-mail contact is possible if you have collected detailed customer information. Word of Mouth; Word of mouth depends on satisfied customers telling their acquaintances about the effectiveness of your products. Generic; Generic promotion occurs when no specific brand of product is promoted, but rather a whole industry is advertised. For instance, generic advertising is commonly found for milk, beef, and pork (Ailawadi, Kusum, & Neslin, S. 2007).

Public relations usually focus on creating a favorable business image. Important components of a good public relations program include being a good neighbor, being involved in the community, and providing open house days. News stories, often initiated through press releases, can be good sources of publicity (Pawels, K., Srinivasan, S., Silva-Risso, J., & Hanssen, D. M 2009).

Personal selling focuses on the role of a salesperson in your communication plans. Salespeople can tailor communication to customers and are very important in building relationships. While personal selling is an important tool, it is costly. So you should make efforts

to target personal selling carefully (Kotler P. and Armstrong G 2007).

Sales promotions are special offerings designed to encourage purchases. Promotions might include free samples, coupons, contests, incentives, loyalty programs, prizes, and rebates. Other programs might focus on educating customers through seminars or reaching them through trade shows. Your target audience may be more receptive to one method than another. Additional sources of promotion may be attending or participating in trade shows, setting up displays at public events, and networking socially at civic and business organizations (Alvarez, B. A., and Casielles, R. V 2005)

Effective sales promotions has got three steps

Target your effort; Promotions can spur purchases by established customers, reel in new customers, draw customers from competitors, get current customers to buy differently, and stimulate business during slow periods. But rarely can one promotion accomplish all of those objectives at once. As a result, you must decide whether you want your customers to purchase more frequently, buy in greater volume, or be attracted to new or different offerings and in addition whether to lure new customers into your business

Plan your incentive; A well-thought-out, properly targeted promotion prompts customers to take action by offering incentives for example price offers; must be strong enough to compel, but reasonable enough to keep your business out of red ink, Coupons always; make a comeback in penny pincher markets, which means they're hugely popular these days, samples work; in all lines of business to let customers try before buying. The key is to sample products that are so great they will win raves and repeat business, events and experiences draw customers for celebrations, product launches, special appearances or presentations, and other activities that combine entertainment with brand and product presentations. When hosting an event, make sure

to go all out. A half-hearted, poorly attended event is worse than no event at all, so plan, decorate, train your staff and publicize accordingly.

Know what you want to achieve; Promotions work especially well when consumers are in need of a jolt to take buying action. By knowing the potential bottom-line impact of your promotion, you will have the information you need to allocate a promotion budget, dedicate staff time and invest the energy necessary to host a strong promotion that will deliver business-boosting results over the time period it covers (<http://www.entrepreneur.com/article/242891>).

In accordance to government policy, advertising laws and regulations exist at both the federal and state levels. In the retail industry, advertising rules dictate the messages companies may convey when attempting to sway consumers to purchase products and services. Violations of these regulations can lead to stiff financial penalties that far exceed any actual monetary damages consumers may suffer. It is a violation of federal and state law for any company, including retail businesses, to make false or deceptive claims with advertising regarding products and services. The Federal Trade Commission enforces false advertising laws at the federal level, and similar agencies have jurisdiction at state level. (David E. Osborne and Ted Gaebler, 2013)

2.6 Pricing and sales performance.

Price is the exchange value of a good or service. An item is worth only what someone else is willing to pay for it. An item is worth only what someone else is willing to pay for it.

After a good or service has been developed, identified, and packaged, it must be priced. This is the second aspect of the marketing mix. As noted earlier, price is the exchange value of a good or service. Pricing strategy has become one of the most important features of modern marketing.

All goods and services offer some utility or want-satisfying power. Individual preferences determine how much utility a consumer will associate with a particular good or service. One of the four major elements of the marketing mix is price. Pricing is an important strategic issue because it is related to product positioning. Furthermore, pricing affects other marketing mix elements such as product features, channel decisions and promotion. While there is no single recipe to determine pricing, the following is a general sequence that might be followed for developing the pricing of a new product for. First is developing marketing strategy, making marketing mix decisions, estimating the demand curve, calculating the costs and understanding the environmental factors (netmba, 2015)

In terms of the marketing mix some would say that price is the least attractive element. Marketing companies should really focus on generating as high a margin as possible. The argument is that the marketer should change product, place or promotion in some way before resorting to price reductions. However price is a versatile element of the mix as we will see. (Tim Friesner, 2014)

Selecting an appropriate price for a new product is a major task unto itself. At its launch, a product's price will affect customer interest and initial sales. Pricing also impacts how customers view a new product, either as something that is accessible or as an unaffordable luxury. The basic economic theories of supply and demand state that a higher price will drive down customer demand, while a lower price will raise demand, sometimes to levels that outpace the manufacturer's ability to produce sufficient supply. Other factors that affect pricing at the time of a product launch include the buying power of target customers and the prices of similar products from competing businesses. (Dennis Hartman, 2014)

Prices and volume sold determine the revenue received by the firm and influence its profits. Marketing attempts to accomplish certain objectives through its pricing decisions. Research has shown that multiple pricing objectives are common among many firms. Pricing objectives vary from firm to firm. Some companies try to maximize their profits by pricing their offerings very high. Others use low prices to attract new business. The three basic categories of pricing objectives which may include; profitability objectives, volume objectives and other objectives, including social and ethical considerations, status quo objectives, and image goals. Objectives not related to profitability or sales volume social and ethical considerations, status quo objectives, and image goals are often used in pricing decisions. Social and ethical considerations play an important role in some pricing situations. For example, the price of some goods and services is based on the intended consumer's ability to pay. For example, some union dues are related to the income of the members. Many firms have status quo pricing objectives: That is, they are inclined to follow the leader. These companies seek stable prices that will allow them to put their competitive efforts into other areas such as product design or promotion. This situation is most common in oligopolistic markets (Wayland, Robert E., and Paul M. Cole, 2006)

While pricing is usually regarded as a function of marketing, it also requires considerable inputs from other areas in the company. Accounting and financial managers have always played a major role in the pricing task by providing the sales and cost data necessary for good decision making. Production and industrial engineering personnel play similarly important roles. Computer analysts, for example, are in charge of the firm's computer-based marketing information system, which provides up-to-date information needed in pricing. It is essential for managers at all levels to realize the importance of pricing and the contribution that can be made to correct pricing by various areas in the organization. Price determination can be viewed from

two perspectives. Economic theory provides an overall viewpoint, while cost-based pricing looks at it from a practical, "hands-on" approach. Skimming pricing involves setting the price of the product relatively high compared to similar goods and then gradually lowering it. This strategy is used when the market is segmented on a price basis. The skimming strategy has been used effectively on such products as color televisions, pocket calculators, personal computers, and VCRs. Penetration pricing the second strategy, penetration pricing, involves pricing the product relatively low compared to similar goods in the hope that it will secure wide market acceptance that will allow the company to raise its price. Product Line Pricing, under product line pricing, a seller offers merchandise at a limited number of prices rather than having individual prices for each item. As a pricing strategy, product line pricing prevents the confusion common in situations where all items are priced individually. But marketers must clearly identify the market segments to which they are appealing (Monroe, 2008). Through using different pricing strategies, the company can be able to test which pricing strategies will bring high profits to the company

Price Perceptions; in the field of marketing it is often believed that perceptions are stronger than reality; because consumers make decisions based on their perceptions of various stimuli. The concept of consumer perception of the marketing mix element price is a concept intricately linked with the consumer perception about sales promotion, because sales promotion is in fact ultimately a reduction in the price of the product or the amount of resources spent by the consumer. Moore has explained the perception about the price of a particular brand or product. This means that how they evaluate a particular brand's price as fair or low or high. It is also stated by them that perception about unfairness of price of a particular product lays an impact on the consumers' decision to buy or not to buy a particular product. Moore has

explained that negative perceptions and positive perceptions have an important impact on the decisions about the marketplace (Moore et al 2008) Different other studies have explained the perception of price as an element which can play an important role in the success of a firm (Jiang and Rosenbloom, 2010). Moore et al. (2006) has described that positive perception of consumers about a particular brand is an indicator of status, quality and prestige; i.e. factors other than price. This aspect is also covered in our research through the study of extraneous variables.

Competitive pricing; Pricing leaders initiate price changes and expect that others in the industry will follow suit. Price leaders tend to have higher prices than their competitors who use the leader's price to set their own price levels. Hence this strategy is also known as Umbrella pricing. Price leaders such as caterpillar in heavy equipment tend to have the highest market share as well (Ang, S.H., Leong, S.M. and Kotler, P. 2010). Parity pricing involves imitating the prevailing prices in the market or maintaining a constant relative price between competitors. In some respects, this strategy is born of weakness. If a firm had a superior product, it should be able to command a premium price. Or if the firm had cost advantages, it would become a low price supplier. If a firm has high costs, its only option in a mature market is to employ parity pricing. Three conditions are common for both leader pricing and parity pricing. Markets in which price changes are easy to detect have inelastic total demand and high factory utilization (Jain 2010).

Low price suppliers could be exploiting a cost advantage, or reflecting a weakness, in addition a low price supplier may be exploiting a lack of price knowledge in the market by undercutting its rivals. If this undercutting behavior were known, it might ignite a damaging price war. Finally the low pricing supplier strategy should be more successful in markets with high levels of overall elasticity. Common to both the low price supplier strategy and price

leadership is low costs. Due to low or experience curves effects. Low market share is a common determinant for purity pricing and low price supplier pricing are suggested for market where brand elasticity is high. In addition, these two strategies are expected to be more successful in marketing with low levels of product differentiation (Nagle and Holden 2008)

Product line pricing; The economic and psychological aspects of price building have been explored in depth elsewhere. Most of the suggested determinants for bundling pricing are common to other pricing strategies. Therefore such determinants cannot be used to predict which firms will use bundling versus other strategies that share these determinants. The sole exception is the type of price setting process. When each sale or contract is priced separately, as in the case of system selling of main frame computers, then bundling is preferred option. Bundling reduces the number of suppliers and potential incapability problems for the airframe manufacturer. This is a clear demand side advantage for the full line avionics firm (Jain 2010).

Complementary product pricing is well illustrated by Gillette's strategy of selling razors cheaply and blades clearly. In many industrial markets, a firm will offer wide range of supplies, spare parts, and accessories which make up a large portion of the profit stream from the customer. From the Deere case above, it was suggested that a bulldozer consumes 90% of its initial purchase price in spare parts over its life time. Under this study, the main product or platform is sold for a relatively low price while the ancillary or supplementary product carries a high margin (Guiltinan et al. 2008). Tellis suggested that high consumer switching costs may keep the customer buying the captive, high margin additional products. Consumer value pricing is common in industrial markets. This strategy involves pricing one version of the product at very competitive levels, offering fewer features than are available for other versions. The most visible application of this strategy has been in consumer markets. (Tellis 2010)

Dolan and Simon argue that the appeal of value priced products varies by the intensity of product usage and geographical scope of usage. Low intensity users of cranes are more sensitive to the initial price than heavy users. When operating in a developing country, the reliability of an earth moving machine and the availability of spare parts become more important than the acquisition price. Other important factors may be the growth rate of the customers' business and the particular application of the product within the customers' business. In contrast, to the case of customer markets, customer value pricing in the industrial markets is more likely to be successful if the price changes are difficult to detect. Since the firm is providing most of the functionality of its main product for a lower price, it runs a large risk of cannibalizing its main, higher priced product (Dolan and Simon 2013)

New product development; There are three options for pricing new products that is skimming, penetrating and experience curve pricing. Skimming is the practice of setting a high initial price which is often systematically discounted over time. The purpose of skim pricing is to discriminate between those buyers who are insensitive to the initial high price because of special needs. As this segment becomes saturated, the price is lowered to broaden the appeal of the product. The timing of the subsequent factor in the success of skim pricing since new competitors will drive down prices, skim pricing takes advantage of a temporally monopoly position. The additional margins obtained through skim pricing have to be balanced against lower current unit sales and leave large demand potential available to subsequent entrants. (Deam 2006)

Skim pricing is recommended over experience curve pricing when there is a high degree of product differentiation in the market. Without this condition, there would not be a better product that would command a higher price. In addition, there must be some buyers who are

price insensitive. (Jain 2010)

The new product usually presents a major improvement over the previous versions in order to command a premium price. Firms with high factory utilization or those that lack cost advantage due to learning should consider skimming over low price new product pricing strategies. Both penetration and experience curve pricing involve setting a low initial price of a new product. Penetration pricing is used to speed adoption of a new product or establish it as a de facto standard. It is suggested that firms with cost advantages due to scale use penetration pricing (Tellis 2010). Experience curve seeks to exploit curve by setting prices low to build cumulative volume quickly and thereby drive down unit costs. The presence of these experience learning curves effects are necessary for this pricing strategy to be a success whether this is a sound long term strategy has been questioned on many fronts (Abernathy and Wyne 2011)

According to Project of Strategic planning institute, companies with relatively high prices and high advertising expenditures showed a higher return on investment than companies with relatively low prices and high advertising budgets. Companies with high quality products where hurt the most in terms of returns on investment inconsistent advertising and pricing strategies.

2.7 Conclusion

Marketing strategy is something that constantly evolves, adapting to changing market conditions. Within enterprise, the outcomes from its many different types of business are constantly reviewed and evaluated. Judgments are then fed into the decision making process and this enables new strategies to be developed to improve operations. In that context marketing strategies are an important aspect that requires analysis and improvement of the entities sales performance (Http://businesscasestudies.co.uk/enterprise-rent-a-car/marketing-and-product-

strategies-for-growth/conclusion.html). It is noted from the above that there is a strong correlation between marketing strategies and performance. Good marketing is essential for every company. It can make a company with whose products successful are not successful perform on both the local and international market (Phillip and Kotler, 2008).

CHAPTER THREE

METHODOLOGY

3.0 Introduction

This chapter contains the research design, population of the study, sample population and sampling techniques, data collection methods, data collection instruments, data collection procedures, data analysis and ethical issues in research.

3.1 Research design

This refers to the arrangement of the condition for collection and analysis of data in a manner that aims to combine relevance with the research purpose. The study involved the descriptive design which aimed at describing the state of affairs as they exist.

The descriptive design was used so as to collect and gather data concerning the different market strategy employed to improve on the performance in business organizations. The research combined both the qualitative and quantitative approaches. Interviews and questionnaires were administered to ensure a clear description of information.

3.2 Area of study

The researcher carried out this study in Uganda Clays Limited as an area of interest specifically the marketing department to find out the effect of marketing strategies on sales performance of the company at large.

3.3 Study population

The research involved different strategies used by different business organizations when marketing their products. Uganda clays Departments have got an estimate of 55 employees. More emphasis was put on marketing department. Individuals who made the sample were randomly selected from the employees in the marketing department regardless of their positions so as to collect, gather and analyze the information regarding performance. The study used a sample of 48 respondents who were randomly selected from a total population of 55 employees from the different departments for example marketing department, productions, procurement and the accounting department.

3.4 Sampling procedures

3.4.1 Sample size

A population of 55 whose minimum sample size 48 was considered in the study by R.V. Krejcie and D.W. Morgan (1970) as represented in the table below.

Table 1: R.V. Krejcie and D.W. Morgan's table

N	S
10	10
15	14
20	19
25	24
30	28
35	32
40	36
45	40
50	44
55	48

Table 2: list of departments

Respondents	Population	Size
Marketing Department	35	30
Production Department	10	8
Procurement Department	5	5
Accounting Department	5	5
TOTAL	55	48

3.4.2 Sampling technique

Stratified sampling was used in the study when selecting the study sample where the entire population was divided into strata and then a simple random sample was taken from each department to ensure complete coverage of all items in the departments of Uganda Clays Limited that is marketing, productions, procurement and the accounting department.

3.5 Data collection methods and instruments

The data collection methods were issuance of **questionnaires** and conducting **interviews**. A questionnaire guide entails a list of questions that are answered by a number of people so that information can be collected for answers. A questionnaire guide involved construction of both open and close ended questions which are issued out to respondents and get feedback on the questions provided. In addition to that, structured and semi structured questionnaires were used in collecting data. Through the use of questionnaires, a large field of investigation may be covered at a very low cost and that errors due to investigators bias will be eliminated as the information is supplied by the person concerned in his or her own handwriting. The researcher went himself and supplied the questionnaires to the respondents

An interview involves the researcher presenting himself personally to the informant and obtains firsthand information through direct interaction. Interviews were beneficial to the researcher since they offered quick and immediate response and erased the disadvantages of ambiguous language.

The data collection instruments were **questionnaire guide** and an **interview guide**.

3.6 Quality Control Methods

3.6.1 Data Reliability

Reliability is the degree to which an assessment tool produces stable and consistent results (Colin Phelan and Julie Wren, 2005).

Parallel form of reliability was used where reliability was obtained by administering different versions of an assessment tool to the same group of individuals. The scores from the two versions can then be correlated in order to evaluate the consistency of results across alternate versions. With the aid of the supervisor, the questions on the questionnaires were reviewed to ensure consistency and reliability.

3.6.2 Data Validity

Validity refers to how well a test measures what it is purported to measure (Colin Phelan and Julie Wren, 2005). Validity encompasses the entire experimental concept and establishes whether the results obtained meet all of the requirements of the scientific research method. This was done through making analysis of the problems being faced and ensuring that the research is relevant to the field of concern.

3.7 Data Management and Processing

The researcher got permission from management through the human resource manager to conduct a research in their organization. The researcher offered questionnaires to the staff and went back another day after they had been filled fully for review.

Data collected through the questionnaires was edited to identify any errors made. Summarizing responses using a designed coding system came after. Processing of data was done using statistical packages for social scientists (SPSS). Data was processed so as to condense it in a more convenient form for data analysis.

3.8 Data analysis

The researcher used statistical packages for social scientists and descriptive statistics instruments like regression and correlation analysis and developed the relationship between the variables and also determined the strength of the relationship between variables under study. There was a full description of data collected from the interviews and questionnaires in the form of charts, graphs and tables.

3.9 Ethical Considerations

The research did not disclose respondents' confidential information for example disclosing their personal life information and experiences. The research was approved by the supervisors and was conducted and carried out in a manner that promotes ethical morals and principles for there was no plagiarism, use of offensive language or insulting personality or integrity

3.10 Limitations of the Study

Rigidity of the staff in releasing the data where staff members did not release the data that was required by the questionnaires claiming that it was classified making the whole research process difficult.

The research was costly in terms of data collection and getting the report typed, such costs included typesetting, transport, meals and telephone bills which resulted into financial constraints.

There was a time constraint as time for the study was not enough but never the less the study was completed and this did not hinder or alter the final results.

CHAPTER FOUR

PRESENTATION ANALYSIS AND DISCUSSION OF FINDINGS

4.0 Introduction

This chapter covers data presentation, analysis the discussion of the findings. This chapter is divide into four parts that is; the first part that is the background of the respondents, the second part which presents the findings on product innovation and sales performance of Uganda clays limited, the third part that presents findings on promotion and sales performance and finally pricing and sales performance of Uganda Clays Limited. Data was collected so as to answer the research questions under the study objectives. The researcher used frequency tables together with percentages in presentation of the findings

4.1 Findings on Background of the respondents

The researcher issued forty eight questionnaires and received all back. Under this section, the researcher sought to find the background characteristics of the respondents' qualifications attained and the experience attained while working in Uganda Clays Limited.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	PHD	4	8.3	8.3	8.3
	Masters	2	4.2	4.2	12.5
	Bachelors	20	41.7	41.7	54.2
	Diploma	15	31.2	31.2	85.4
	Certificate	7	14.6	14.6	100.0
	Total	48	100.0	100.0	

Source: primary data (questionnaire question 1)

From the above table, 8.3% of the respondents had attained a PHD, 4.2% of the respondents had attained a Masters degree, 41.7% had a Bachelors degree, 31.2% of the respondents had a Diploma and 14.6% of the respondents had a Certificate. From the above analysis, the majority of the respondents (41.7%) had a Bachelor’s degree implying that they had at least studied and had full knowledge and they could give reason for their answer and thus the information they gave was reliable and relevant for the study.

Table 3: Showing how long have the workers have worked in Uganda Clays Limited					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	less than 1 year	3	6.2	6.2	6.2
	1 - 5 years	22	45.8	45.8	52.1
	5 - 10 years	11	22.9	22.9	75.0
	10 – Above	12	25.0	25.0	100.0
	Total	48	100.0	100.0	

Source: primary data (questionnaire question 2)

From the above table, 6.2% of the respondents had worked in the organization for less than a year, 45.8% had worked for 1 to 5 years, 22.9% had worked for 5 to 10 years and 25.0% had worked for 10 and above years. From the above analysis, 45.8% of the respondents who were the majority had worked for at least a year and thus new the trends of how the business was operating and in addition had obtained at least more information about the organization and by that could give reliable information about the organization there of.

4.2 Findings on product innovation and sales performance

Under this section, it presents the first objective of the study and information that was collected is presented using frequency tables for further analysis

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	5	10.4	10.4	10.4
	Agree	4	8.3	8.3	18.8
	Not Sure	15	31.2	31.2	50.0
	Disagree	15	31.2	31.2	81.2
	Strongly Disagree	9	18.8	18.8	100.0
	Total		48	100.0	100.0

Source: primary data (questionnaire question 3)

From the above table, 10.4% of the respondents strongly agreed with the statement 8.3% of the respondents agreed, 31.2% of the respondents were no sure, 31.2% of the respondents disagreed and 18.8% of the respondents strongly disagreed. This means that new products that are introduced in the market each financial do not cause financial loss nor embracement to Uganda Clays Limited. This is in disagreement with Zirger and Maidique, who stated that new products that are introduced in the market place each year fail, causing considerable financial loss and embarrassment to the company.

Table 5: Showing whether Uganda Clays Limited invests in marketing and in so doing carries out product innovation

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	9	18.8	18.8	18.8
	Agree	33	68.8	68.8	87.5
	Not Sure	2	4.2	4.2	91.7
	Disagree	2	4.2	4.2	95.8
	Strongly Disagree	2	4.2	4.2	100.0
	Total	48	100.0	100.0	

Source: primary data (questionnaire question 4)

From the above data, 18.8% of the respondents strongly agreed, 68.8% of the respondents agreed, 4.2% of the respondents were not sure, 4.2% of the respondents' disagreed and 4.2% of the respondents strongly disagreed. From the above analysis, 68.8% of the respondents agreed with the statement meaning that Uganda Clays limited carries out marketing and in so doing carries out product innovation. This is in agreement with (Ulrich,2006) who stated that Product innovation is assumed to increase consumer utility but is effective only if the innovating firm invests in marketing, so that consumers become aware of the newly developed product.

Table 6: Showing whether Uganda Clays products do not remain economically viable forever

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	14	29.2	29.2	29.2
	Agree	20	41.7	41.7	70.9
	Not Sure	6	12.5	12.5	83.4
	Disagree	4	8.3	8.3	91.7
	Strongly Disagree	4	8.3	8.3	100.0
	Total	48	100.0	100.0	

Source: primary data (questionnaire question 6)

From the above data, 29.2% of the respondents strongly agreed, 41.7% of the respondents agreed, 12.5% of the respondents were not sure, 8.3% of the respondents' disagreed and 8.3% of the respondents strongly disagreed. From the above analysis, the majority of the respondents agreed with the statement meaning that Uganda Clays Products do not remain economically viable forever and therefore new ones have to be developed. This is in agreement with (Steve Weiner and Janis Bultman, 2014) who stated that products do not remain economically viable forever, so new ones must be developed to ensure the survival of an organization

Table 7: Showing whether new product development is expensive, time consuming and risky

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	21	43.8	43.8	43.8
	Agree	17	35.4	35.4	79.2
	Not Sure	3	6.2	6.2	85.4
	Disagree	3	6.2	6.2	91.7
	Strongly Disagree	4	8.3	8.3	100.0
	Total	48	100.0	100.0	

Source: primary data (questionnaire question 7)

From the above data, 43.8% of the respondents strongly agreed, 35.4% of the respondents agreed, 6.2% of the respondents were not sure, 6.2% of the respondents' disagreed and 8.3% of the respondents strongly disagreed. This simply means that new product development is expensive, time consuming and risky based on the majority of the respondents. This is in agreement with (Joshua Hyatt, 2008) who stated that New-product development is expensive, time consuming, and risky; therefore should make proper accountability for product innovations not to suffer from financial distress

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	5	10.4	10.4	10.4
	Agree	5	10.4	10.4	20.8
	Not Sure	10	20.8	20.8	41.7
	Disagree	16	33.3	33.3	75.0
	Strongly Disagree	12	25.0	25.0	100.0
	Total	48	100.0	100.0	

Source: primary data (questionnaire question 8)

From the above data, 10.4% of the respondents strongly agreed, 10.4% of the respondents agreed, 20.8% of the respondents were not sure, 33.3% of the respondents' disagreed and 25.0% of the respondents strongly disagreed. 33.3% of the respondents who were the majority disagreed with the statement meaning that Uganda Clays Limited does not carry out minor innovations so as to improve its sales. The customers further stated that new products provided better service in terms of appearance and purpose and this leads to increased sales.

4.3 Findings on promotions and sales performance

The second objective was to determine the impact of promotion on sales performance of Uganda Clays Limited.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	25	52.1	52.1	52.1
	Agree	13	27.1	27.1	79.2
	Not Sure	4	8.3	8.3	87.5
	Disagree	3	6.2	6.2	93.8
	Strongly Disagree	3	6.2	6.2	100.0
	Total	48	100.0	100.0	

Source: primary data (questionnaire question 9)

The table above shows that, 52.1% of the respondents strongly agreed, 27.1% of the respondents agreed, 8.3% of the respondents were not sure, 6.2% of the respondents' disagreed and 6.2% of the respondents strongly disagreed. From the above analysis, majority of the respondents agreed with the statement and this meant that promotions affect consumers to purchase Uganda Clays products and consume it faster thereof. This is in agreement with (Ailawadi and Neslin, 2007) who stated that consumer promotions affect the consumers to purchase larger amount and consume it faster. According to this analysis, the more promotions carried out, the more purchases and consumption of a clay product.

Table 10: Showing whether purchasing a particular clay product which is on promotion can reduce the chances of buying of that particular product.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	3	6.2	6.2	6.2
	Agree	5	10.4	10.4	16.7
	Not Sure	6	12.5	12.5	29.2
	Disagree	23	47.9	47.9	77.1
	Strongly Disagree	11	22.9	22.9	100.0
	Total	48	100.0	100.0	

Source: primary data (questionnaire question 10)

The table above shows that, 6.2% of the respondents strongly agreed, 10.4% of the respondents agreed, 12.5% of the respondents were not sure, 47.9% of the respondents' disagreed and 22.9% of the respondents strongly disagreed. The majority of the respondents disagreed with the statement and this simply meant that purchasing a particular clay product that is on promotion does not affect or reduce the chances of purchasing that particular product that is on promotion.

Table 11: Showing whether sales promotion encourages retailers to give shelf to new clay products

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	15	31.2	31.2	31.2
	Agree	11	22.9	22.9	54.1

	Not Sure	7	14.6	14.6	68.7
	Disagree	9	18.8	18.8	87.5
	Strongly Disagree	6	12.5	12.5	100.0
	Total	48	100.0	100.0	

Source: primary data (questionnaire question 11)

From the above table, 31.2% of the respondents strongly agreed, 22.9% of the respondents agreed, 14.6% of the respondents were not sure, 18.8% of the respondents' disagreed and 12.5% of the respondents strongly disagreed. The majority of the respondents agreed with the statement meaning that sales; promotion encourages retailers to give space to new clay products and therefore increasing sales of the company. This statement is in agreement with (Shira, 2009) who stated that Sales promotion encourages retailers to give shelf space to new products.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	11	22.9	22.9	22.9
	Agree	14	29.2	29.2	52.1
	Not Sure	13	27.1	27.1	79.2
	Disagree	6	12.5	12.5	91.7
	Strongly Disagree	4	8.3	8.3	100.0
	Total	48	100.0	100.0	

Source: primary data (questionnaire question 12)

The table above shows that, 22.9% of the respondents strongly agreed, 29.2% of the respondents agreed, 27.1% of the respondents were not sure, 12.5% of the respondents' disagreed and 8.3% of the respondents strongly disagreed. Based on the analysis above, majority of the respondents agreed with the statement which meant that that sales promotion encourages off season buying especially during the festive periods. This is in agreement with (Shira, 2009) still who stated that sales promotion has also encouraged off season buying especially during the festive periods,

people tend to buy more of a particular product because of the added value, compared to normal season

Table 13: Showing whether sales promotion when implemented effectively often results in an increase in short term sales figure of Uganda clays Limited.					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	11	22.9	22.9	22.9
	Agree	30	62.5	62.5	85.4
	Not Sure	2	4.2	4.2	89.6
	Disagree	3	6.2	6.2	95.8
	Strongly Disagree	2	4.2	4.2	100.0
	Total	48	100.0	100.0	

Source: primary data (questionnaire question 13)

The table above shows that, 22.9% of the respondents strongly agreed, 62.5% of the respondents agreed, 4.2% of the respondents were not sure, 6.2% of the respondents' disagreed and 4.2% of the respondents strongly disagreed. From the above analysis, the majority of the respondents (62.5%) agreed with the statement meaning that sales promotion when implemented effectively often results in an increase in short term sales figure of Uganda clays Limited. This is in agreement with (Alvarez, 2005) who stated that sales promotion when implemented effectively often results in an increase in short term sales figure.

Table 14: Showing whether advertising rules dictate the messages Uganda Clays Limited may convey when attempting to sway consumers to purchase products and services.					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	9	18.8	18.8	18.8
	Agree	27	56.2	56.2	75.0
	Not Sure	5	10.4	10.4	85.4
	Disagree	5	10.4	10.4	95.8
	Strongly Disagree	2	4.2	4.2	100.0
	Total	48	100.0	100.0	

Source: primary data (questionnaire question 14)

The table above shows that, 18.8% of the respondents strongly agreed, 56.2% of the respondents agreed, 10.4% of the respondents were not sure, 10.4% of the respondents' disagreed and 4.2% of the respondents strongly disagreed. The majority of the respondents agreed with the statement meaning that advertising rules and guidelines dictate the message that Uganda Clays Limited conveys. This is in agreement with (David E. Osborne and Ted Gaebler, 2013)

The majority of the respondents gave policies like taxation, minimum and maximum prices among others to be some of the hush policies hindering sales.

Table 15: Showing whether government policies impact on the company's sales performance					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Very High	8	16.7	16.7	16.7
	High	28	58.3	58.3	75.0
	Average	8	16.7	16.7	91.7
	Low	4	8.3	8.3	100.0
	Total	48	100.0	100.0	

Source: primary data (questionnaire question 14a)

From the above table, 16.7% of the respondents opted for very high, 58.3% of the respondents opted for high, 16.7% of the respondents were average and 8.3% of the respondents opted for low. This simply meant that government policies greatly impact on Uganda clays sales performance and the opinion of the majority respondents that were sampled.

Table 16: Showing whether competitors are the greatest threat to the company's sales					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	8	16.7	16.7	16.7
	Agree	28	58.3	58.3	75.0
	Not Sure	6	12.5	12.5	87.5

	Disagree	3	6.2	6.2	93.8
	Strongly Disagree	3	6.2	6.2	100.0
	Total	48	100.0	100.0	

Source: primary data (questionnaire question 15a)

The table above shows that, 16.7% of the respondents strongly agreed, 58.3% of the respondents agreed, 12.5% of the respondents were not sure, 6.2% of the respondents' disagreed and 6.2% of the respondents strongly disagreed. From the above table, the majority of the respondents who were (58.3%) agree with the statement that competitors are the greatest threat to the companies' sales. The respondents stated that the company is carrying out product innovation, persuasive advertisements, improving on the product quality so overcome the completion

Table 17: Showing whether the market for Uganda Clays products is readily available					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	17	35.4	35.4	35.4
	Agree	26	54.2	54.2	89.6
	Not Sure	5	10.4	10.4	100.0
	Total	48	100.0	100.0	

Source: primary data (questionnaire question 16)

The table above shows that, 35.4% of the respondents strongly agreed, 54.2% of the respondents agreed and 10.4% of the respondents were not sure. This simply meant that the market for Uganda Clays Limited' products is readily available.

Table 18: Showing whether Uganda Clays Limited has got an under covered market					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	2	4.2	4.2	4.2
	Agree	27	56.2	56.2	60.4
	Not Sure	12	25.0	25.0	85.4

	Disagree	3	6.2	6.2	91.7
	Strongly Disagree	4	8.3	8.3	100.0
	Total	48	100.0	100.0	

Source: primary data (questionnaire question 17)

The table above shows that, 4.2% of the respondents strongly agreed, 56.2% of the respondents agreed, 25.0% of the respondents were not sure, 6.2% of the respondents' disagreed and 8.3% of the respondents strongly disagreed. 56.2% of the respondents who were the majority agreed with the statement. This simply meant that Uganda Clays Limited has got an under covered market. The respondents stated that the company has introduced many sales outlets to cover the underserved markets for example the one in Kamonkoli that is situated in Mbale, the other brunch in Kenya and many others

4.4 Findings on pricing and sales performance

This section presents the last objective of the study and seeks to examine the effect of pricing on sales performance of Uganda Clays products

Table 19: Showing whether Uganda Clays Limited use pricing strategy as one of the most important features of marketing					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	3	6.2	6.2	6.2
	Agree	9	18.8	18.8	25.0
	Not Sure	10	20.8	20.8	45.8
	Disagree	16	33.3	33.3	79.2
	Strongly Disagree	10	20.8	20.8	100.0
	Total	48	100.0	100.0	

Source: primary data (questionnaire question 19)

The table above shows that, 6.2% of the respondents strongly agreed, 18.8% of the respondents agreed, 20.8% of the respondents were not sure, 33.3% of the respondents' disagreed and 20.8% of the respondents strongly disagreed. The majority of the respondents disagreed with the

statement meaning that Uganda clays limited uses the pricing strategy as one of the most important marketing tool or features.

Table 20: Showing whether pricing affects other marketing mix elements such as product features, channel decisions and promotion.

		Frequenc y	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	5	10.4	10.4	10.4
	Agree	26	54.2	54.2	64.6
	Not Sure	6	12.5	12.5	77.1
	Disagree	9	18.8	18.8	95.8
	Strongly Disagree	2	4.2	4.2	100.0
	Total	48	100.0	100.0	

Source: primary data (questionnaire question 20)

The table above shows that, 18.8% of the respondents strongly agreed, 56.2% of the respondents agreed, 10.4% of the respondents were not sure, 10.4% of the respondents' disagreed and 4.2% of the respondents strongly disagreed. This shows that prices set on products affect other marketing mix elements such as product features, channel decisions and promotion. this is in agreement with (netmba, 2015) who stated that

Table 21: Showing whether pricing impacts how customers view a new product, either as something that is accessible or as an unaffordable luxury

		Frequenc y	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	24	50.0	50.0	50.0
	Agree	14	29.2	29.2	79.2
	Not Sure	4	8.3	8.3	87.5
	Disagree	4	8.3	8.3	95.8
	Strongly Disagree	2	4.2	4.2	100.0
	Total	48	100.0	100.0	

Source: primary data (questionnaire question 21)

The table above shows that, 18.8% of the respondents strongly agreed, 56.2% of the respondents agreed, 10.4% of the respondents were not sure, 10.4% of the respondents' disagreed and 4.2%

of the respondents strongly disagreed. This shows that the prices charged for Uganda Clays product have an impact on the way. This is in agreement with (Dennis Hartman, 2014) who stated that pricing also impacts how customers view a new product, either as something that is accessible or as an unaffordable luxury.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	10	20.8	20.8	20.8
	Agree	19	39.6	39.6	60.4
	Not Sure	9	18.8	18.8	79.2
	Disagree	5	10.4	10.4	89.6
	Strongly Disagree	5	10.4	10.4	100.0
	Total	48	100.0	100.0	

Source: primary data (questionnaire question 22)

The table above shows that, 20.8% of the respondents strongly agreed, 39.6% of the respondents agreed, 18.8% of the respondents were not sure, 10.4% of the respondents' disagreed and 10.4% of the respondents strongly disagreed. From the above analysis, majority of the respondents agreed with the statement and hence showed that Uganda Clays Limited charges higher prices for its clay product as compared to Rweza Clays

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	4	8.3	8.3	8.3
	Agree	6	12.5	12.5	20.8
	Not Sure	5	10.4	10.4	31.2
	Disagree	18	37.5	37.5	68.8
	Strongly Disagree	15	31.2	31.2	100.0
	Total	48	100.0	100.0	

Source: primary data (questionnaire question 23)

The table above shows that, 8.3% of the respondents strongly agreed, 12.5% of the respondents agreed, 10.4% of the respondents were not sure, 37.5% of the respondents' disagreed and 31.2% of the respondents strongly disagreed. As per the data collected, majority of the respondents disagreed with the statement meaning that Uganda Clays Limited does not use competitive pricing while pricing its clay products but rather other methods of pricing.

Table 24: Showing whether prices and volumes sold for Uganda Clays Products determine the revenue received by the firm and influences its profits.

		Frequenc y	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	6	12.5	12.5	12.5
	Agree	31	64.6	64.6	77.1
	Not Sure	4	8.3	8.3	85.4
	Disagree	4	8.3	8.3	93.8
	Strongly Disagree	3	6.2	6.2	100.0
	Total	48	100.0	100.0	

Source: primary data (questionnaire question 24)

From the above table, 12.5% of the respondents strongly agreed with the statement, 64.6% of the respondents agreed, and 8.3% of the respondents were not sure, 8.3% of the respondents' disagreed and 6.2% of the respondents strongly disagreed with the statement. Majority of the respondents (64.6%) agreed with the statement, this shows that prices and volumes sold for Uganda Clays products determine the revenue received by the firm and thus they influence the company's profits. This statement is in agreement with (Robert, 2006) who stated that prices and volume sold determine the revenue received by the firm and influence its profits. Marketing attempts to accomplish certain objectives through its pricing decisions.

Table 25: Showing whether Uganda Clays Limited maximizes its profits by pricing its offerings very high.

		Frequenc y	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	2	4.2	4.2	4.2
	Agree	11	22.9	22.9	27.1

	Not Sure	4	8.3	8.3	35.4
	Disagree	22	45.8	45.8	81.2
	Strongly Disagree	9	18.8	18.8	100.0
	Total	48	100.0	100.0	

Source: primary data (questionnaire question 25)

The table above shows that, 4.2% of the respondents strongly agreed, 22.9% of the respondents agreed, 8.3% of the respondents were not sure, 45.8% of the respondents' disagreed and 18.8% of the respondents strongly disagreed. As per the majority of the respondents (45.8%), they disagreed with the statement meaning that Uganda Clays Limited does not maximize its profits by pricing its products very high. In accordance to (Robert, 2006) who stated that multiple pricing objectives are common among many firms and that pricing objectives vary from firm to firm. He continued saying that some companies try to maximize their profits by pricing their offerings very high. As per Uganda Clays Limited, they were in disagreement meaning that they use other means to maximize their profits.

Table 26: Showing whether there are some customers of Uganda Clays Limited who are price insensitive.					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	3	6.2	6.2	6.2
	Agree	5	10.4	10.4	16.7
	Not Sure	3	6.2	6.2	22.9
	Disagree	10	20.8	20.8	43.8
	Strongly Disagree	27	56.2	56.2	100.0
	Total	48	100.0	100.0	

Source: primary data (questionnaire question 26)

The table above shows that, 6.2% of the respondents strongly agreed, 10.4% of the respondents agreed, 6.2% of the respondents were not sure, 20.8% of the respondents' disagreed and 56.2% of the respondents strongly disagreed. From the above analysis, (56.2%) of the respondents strongly disagreed with the statement meaning that there are no Uganda Clays customers who are

price insensitive. Therefore the company's customers mind about the prices being set or charged for their products. This is in disagreement with (Jain, 2005) who stated that there must be some buyers who are price insensitive.

Table 27: Showing whether Uganda Clays Products are value priced products

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	19	39.6	39.6	39.6
	Agree	22	45.8	45.8	85.4
	Not Sure	1	2.1	2.1	87.5
	Disagree	3	6.2	6.2	93.8
	Strongly Disagree	3	6.2	6.2	100.0
	Total	48	100.0	100.0	

Source: primary data (questionnaire question 27)

The table above shows that, 39.6% of the respondents strongly agreed, 45.8% of the respondents agreed, 2.1% of the respondents were not sure, 6.2% of the respondents' disagreed and 6.2% of the respondents strongly disagreed. The majority of the respondents agreed with the statement and this shows that Uganda Clays products are value priced products. In other words, the company bases on the value of the product to place its price.

Table 28: Showing whether Perception about unfair price of Uganda Clays products lays an impact on the consumers' decision to buy or not to buy a particular product.

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	11	22.9	22.9	22.9
	Agree	26	54.2	54.2	77.1
	Not Sure	6	12.5	12.5	89.6
	Disagree	3	6.2	6.2	95.8
	Strongly Disagree	2	4.2	4.2	100.0
	Total	48	100.0	100.0	

Source: primary data (questionnaire question 28)

The table above shows that, 39.6% of the respondents strongly agreed, 45.8% of the respondents agreed, 2.1% of the respondents were not sure, 6.2% of the respondents' disagreed and 6.2% of the respondents strongly disagreed. From the above analysis, the majority of the respondents agreed with the statement meaning that the perception about unfair price of Uganda Clays products lays an impact on the consumers' decision to buy or not to buy a particular product. Consumers will base on the prices and decide whether to buy or not. This is in agreement with (Schiffman and Kanuk, 2008) who stated that perception about unfairness of price of a particular product lays an impact on the consumers' decision to buy or not to buy a particular product.

Table 29: Showing whether availability of the market greatly affects the kind of marketing strategy to be used and thus a major determinant of sales performance					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	3	6.2	6.2	6.2
	Agree	32	66.7	66.7	72.9
	Not Sure	7	14.6	14.6	87.5
	Disagree	4	8.3	8.3	95.8
	Strongly Disagree	2	4.2	4.2	100.0
	Total	48	100.0	100.0	

Source: primary data (questionnaire question 29)

From the above, 6.2% of the respondents strongly agreed, 66.7% of the respondents agreed, 14.6% of the respondents were not sure, 8.3% of the respondents' disagreed and 4.2% of the respondents strongly disagreed. The majority of the respondents agreed with the statement which meant that market availability has an impact on the kind of marketing strategy to be used and this greatly impacts on the level of sales of Uganda Clays Limited.

Table 30: Showing whether government policies dictate the kind of marketing strategy to be used and the level of sales performance					
		Frequency	Percent	Valid Percent	Cumulative Percent

Valid	Strongly Agree	2	4.2	4.2	4.2
	Agree	42	87.5	87.5	91.7
	Not Sure	3	6.2	6.2	97.9
	Disagree	1	2.1	2.1	100.0
	Total	48	100.0	100.0	

Source: primary data (questionnaire question 30)

The table above shows that, 4.2% of the respondents strongly agreed, 87.5% of the respondents agreed, 6.2% of the respondents were not sure and 2.1% of the respondents' disagreed. From the above analysis, the majority of the respondents agreed with the statement which meant that government policies dictate the message Uganda Clays Limited communicates to the public and the nature of marketing strategy.

Table 31: Showing whether number of competitors greatly impact on the kind of marketing strategies Uganda Clays Limited must use so as to be productive					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Strongly Agree	10	20.8	20.8	20.8
	Agree	29	60.4	60.4	81.2
	Not Sure	6	12.5	12.5	93.8
	Disagree	3	6.2	6.2	100.0
	Total	48	100.0	100.0	

Source: primary data (questionnaire question 31)

The table above shows that, 20.8% of the respondents strongly agreed, 60.4% of the respondents agreed, 12.5% of the respondents were not sure and 6.2% of the respondents' disagreed. The majority of the respondents (60.4%) agree with the statement meaning that the number of competitors greatly affects the type and nature of marketing strategy to be used and levels of sales performance as well.

4.5 Findings from the interview guide

Findings on challenges faced by the marketing department at Uganda Clays Limited indicate that the marketing department faces high expenditures on marketing in addition, it also faces challenges of decision making, lack of enough resources for example personnel with the required skills to work in the field, lack of interest of the workers or employees among others.

Findings on how often product innovation is carried out at Uganda Clays Limited indicate that Through the assessment of the customer needs, and conducting of research, the company is able to come up with new brands that will meet the demand this is done on a regular basis as the demand of customers changes with time.

Findings on how promotion impact on the sales performance of Uganda clays limited indicate that promotions create awareness of the product and its benefits. If the product is good, there will be more sales. More customers will come to assess the goodness or badness of the product and in so doing more purchase and orders will be placed.

Findings on how Uganda Clays limited promotes its products. Uganda Clays Limited carried out different forms of promotions as stated by the respondents. Some of the promotions that are carried out by the company include advertising while involves placing out adverts on radio stations, making calendars, birthday and Christmas cards. The company also offers after sales services like free transportation to the premises of the customer for those that buy in large amounts.

Findings on the pricing criteria; according to the respondents, the pricing criteria of Uganda Clays Limited was not favorable as they base majorly on the benefit or the product quality to set their prices rather than the general market price. Though Uganda Clays Limited normally cuts or offers discounts to the customers that buy in larger amounts. It was further

noted that there is no flexibility in the pricing criteria of their products as it is very difficult to change the price. There are bureaucratic tendencies for price approvals.

Findings on other marketing strategies used by Uganda Clays Limited to improve its sales performance indicate that besides product innovation, price and promotions Uganda Clays Limited uses distribution strategy and place strategy. Under the distribution strategy, the company has established outlets in some parts of the country for example one in Kamonkoli and Kajjansi in an attempt to extend their products closer to their customers. The company is looking forward at establishing more outlets besides the company transports all its products to the final consumers for those that purchase in large quantities. Under Place strategy, the company identified developing areas with many constructions and placed distributors.

Findings on how government policies affect sales performance indicate that to some extent government policies are favorable in such a way that they have subsidized the company by providing it with some form of reduced taxes and on the other hand it's a requirement by law that the company must remute taxes to the government even when it is not performing very well.

Findings indicate that currently there are few companies that are dealing in clay building materials on a large scale therefore the market for Uganda Clays Limited' products are promising and Uganda Clays Limited has got the capacity and the potential to serve all the market

Findings on how Uganda Clays Products are competitive. Findings indicate that clay products are highly competitive, given the fact that they are dealing in clay products, the raw materials are everywhere and such a business can be stated at any time. This make the business highly competitive as people can easily refer to making or manufacturing their own materials rather than purchasing them from the company

CHAPTER FIVE

SUMMARY, CONCLUSIONS AND RECOMMENDATIONS

5.0 Introduction

This chapter presents the summary of the findings in response to the study objectives and questions. It also gives the conclusions and recommendations to Uganda Clays Limited on how to improve on their marketing strategies so as to increase on the sales performance.

5.1 Summary of Findings

5.1.1 Findings on product innovation and sales performance

From the findings about product innovation, it was noticed that Uganda clays limited carries out marketing and in so doing carries out product innovation and that their products remain economically viable forever. In accordance to the respondents, they also pointed out that new product development is expensive, time consuming and risky. In conclusion, findings also indicated that Uganda clays limited hardly carries out innovations so as to promote their sales

5.1.2 Findings on promotion and sales performance

The findings regarding promotion and sales performance of Uganda Clays Limited reveal that promotion affect consumers purchase of Uganda Clays products either to purchase them in large or in small amounts. It was also found that competitors are the greatest threat to the companies' sales performance. In addition, Uganda Clays Products have got a ready market and more still there is an underserved market.

Findings also indicate that sales promotion when implemented effectively often results in an increase in the short term sales figure of Uganda Clays Limited

It has also come to our notice that government policies have an impact on Uganda Clays sales performance. Besides government policies, advertising rules also dictate the message that Uganda Clays Limited is supposed to convey when attempting to sway consumers to purchase products and services.

5.1.3 Findings on pricing and sales performance

The findings regarding pricing and sales performance indicate that Uganda Clays Limited does not use pricing strategy as a marketing tool, and that pricing affects other marketing tools in the marketing mix for example product features, channel decisions and promotions. It was further noticed that prices impact on how customers view a new product, either as something that is accessible or as an unaffordable luxury. Uganda Clays Limited charges higher prices for its products. Uganda Clays Limited does not use competitive pricing in determination of the prices

of its products Prices and volumes sold for Uganda Clays' products determine the revenue received by the firm and influences its profits Uganda Clays limited does not maximize its profits by pricing its offering at a higher price but rather other methods. All customers of Uganda Clays Limited are price sensitive. Any slight change in price will either force them to buy or force them to other substitutes Uganda Clays products are value priced products meaning that they base on the value, worth or the benefit of the product to place its price at which the product will be bought. It was also noted that the perception about unfair prices of Uganda Clays Products lays an impact on the consumer's decision of whether to buy or not to buy. In that if the customers feel the price being charged for that commodity is unfair, then they will opt not to buy.

5.2 Conclusions

According to the study that was carried out, the conclusions that were drawn were as follows:

The study revealed that Product innovation is time consuming risky and expensive, it was also revealed that Uganda Clays Limited rarely carries out product innovation. The companies' clay products are economically viable and they stay on the market for a very long time. Given the fact that product innovation impacts on sales performance then the low sale are as a result of low levels of product innovation.

Sales promotions have an impact on sales performance, when sales promotion implemented effectively in Uganda Clays, results in an increase in to increased sales. In addition to that, advertising rules stated by the government or corporate bodies dictate the message Uganda Clays Limited is supposed to convey when attempting to sway consumers to purchase the products and

services. Uganda Clays Limited also faces competition and competitors are their greatest threat. The company has tried to reduce on the competition by establishing new outlets so as to reach all the market. It has also carried out after sales services like transporting to the consumers premises for those that purchase in large amounts.

According to the findings of pricing and sales performance, the study revealed that pricing affects other marketing tools for example product features and promotion and at the same time pricing impacts on the way customers view a particular product either as something that is accessible or a luxury therefore pricing has an impact on sales performance. Uganda Clays Limited does not use pricing strategy as a marketing tool but rather uses other tools and in addition the company charges higher prices for its products. Uganda Clays Limited does not use competitive pricing in determining the prices of its products. Given the fact that pricing impacts on sales performance and that Uganda Clays Limited does not use pricing as a marketing tool, then this could be the cause for the decline in the sales of Uganda Clays Limited

5.3 Recommendations

According to the study carried out, the following recommendation can be pointed out

Uganda Clays Limited should consider using other marketing strategies so as to target a wider area for example advertising online, using television adverts more frequently and specifically identifying channels that are mostly watched by the viewers. The marketing strategy that should be used by the company should be drawn from research in order to determine the rightful product mix to adopt so as to achieve maximum profits to sustainable the business

The company should also consider using Guerilla Marketing if advertising and promotion is expensive for example giving out free T-shirts having the companies' logo written on it.

The company should also consider improving on the public and customer relations through offering their products on credit, after sales services like transport or even participating in community service or carrying out corporate social responsibility

Finally the company should create more other sales outlets and open up more branches in the country so as to bring the commodities closer to the customers. In so doing the company

5.4 Suggestions for further research

Workers or personnel management

Work motivation

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Appendix 1

QUESTIONNAIRE TO THE STAFF OF UGANDA CLAYS LIMITED

Dear respondent,

I am Kaganda Wilson a final year student at Uganda Martyrs University conducting an academic research about the effect of Marketing Strategies on Sales Performance taking Uganda clays Limited as the case study; Information obtained will be used for academic purposes only, kindly answer the questions given below by Ticking against the answer of your choice or filling in the space provided. Thank you

SECTION A: BACKGROUND INFORMATION

1) What is the highest qualification attained?

PHD	Masters	Bachelors	Diploma	Certificate

2) How long have you worked at Uganda Clays Limited?

Less than 1 year	1 – 5 years	5 – 10 years	10 – Above

SECTION B: Product innovation and sales performance

3) New products that are introduced in the market place each year fail, causing considerable financial loss and embarrassment to Uganda Clays Limited promoters

Strongly Agree	Agree	Not Sure	Disagree	Strongly Disagree

4) Uganda Clays Limited invests in marketing and in so doing carries out product innovation.

Strongly Agree	Agree	Not Sure	Disagree	Strongly Disagree

5) How have new products provide increased sales, profits, and competitive strength for Uganda Clays Limited

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6) Uganda clays Products do not remain economically viable forever.

Strongly Agree	Agree	Not Sure	Disagree	Strongly Disagree

7) New-product development is expensive, time consuming, and risky

Strongly Agree	Agree	Not Sure	Disagree	Strongly Disagree

8) Uganda Clay Limited carries out minor innovations to enable it improve on its sales

Strongly Agree	Agree	Not Sure	Disagree	Strongly Disagree

b) How has Uganda Clays Limited been carrying out product innovation?

.....

Section C: Promotion and sales performance

9) Promotion has affected the consumers to purchase larger amount of Uganda clays products and consume it faster.

Strongly Agree	Agree	Not Sure	Disagree	Strongly Disagree

10) Purchasing a particular clay product which is on promotion can reduce the chances of buying of that particular product.

Strongly Agree	Agree	Not Sure	Disagree	Strongly Disagree

11) Sales promotion encourages retailers to give shelf space to new clay products.

Strongly Agree	Agree	Not Sure	Disagree	Strongly Disagree

12) Sales promotion has also encouraged off season buying especially during the festive periods

Strongly Agree	Agree	Not Sure	Disagree	Strongly Disagree

13) Sales promotion when implemented effectively often results in an increase in short term sales figure of Uganda Clays Limited.

Strongly Agree	Agree	Not Sure	Disagree	Strongly Disagree

14) Advertising rules dictate the messages Uganda Clays Limited may convey when attempting to sway consumers to purchase products and services.

Strongly Agree	Agree	Not Sure	Disagree	Strongly Disagree

14 a) How do government policies impact on Uganda Clays Limited sales performance?

Very high	High	Average	Low	Very Low

b) Give an example of the policies that may be harsh to the company hindering its sales

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15 a) Competitors are the greatest threat to the company's sales

Strongly Agree	Agree	Not Sure	Disagree	Strongly Disagree

b) What has the company done to overcome such challenges

.....

.....

 16) The market for Uganda Clays Products is readily available

Strongly Agree	Agree	Not Sure	Disagree	Strongly Disagree

17) Uganda clays limited has got a un under covered market

Strongly Agree	Agree	Not Sure	Disagree	Strongly Disagree

b) What has Uganda Clays Limited done to take cover such a market in order to increase its sales?

.....

18) Identify any other strategies that Uganda Clays Limited may be using

.....

Section D: Pricing and sales performance

19) Uganda clays limited use pricing strategy as one of the most important features of marketing.

Strongly Agree	Agree	Not Sure	Disagree	Strongly Disagree

20) Pricing affects other marketing mix elements such as product features, channel decisions and promotion.

Strongly Agree	Agree	Not Sure	Disagree	Strongly Disagree

21) Pricing impacts how customers view a new product, either as something that is accessible or as an unaffordable luxury

Strongly Agree	Agree	Not Sure	Disagree	Strongly Disagree

22) Uganda Clays Limited charges higher prices for its products

Strongly Agree	Agree	Not Sure	Disagree	Strongly Disagree

23) Uganda clays limited uses competitive pricing while pricing its products

Strongly Agree	Agree	Not Sure	Disagree	Strongly Disagree

24) Prices and volume sold for Uganda clays products determine the revenue received by the firm and influence its profits.

Strongly Agree	Agree	Not Sure	Disagree	Strongly Disagree

25) Uganda Clays Limited maximizes its profits by pricing its offerings very high.

Strongly Agree	Agree	Not Sure	Disagree	Strongly Disagree

26) There are some customers of Uganda Clays Limited who are price insensitive.

Strongly Agree	Agree	Not Sure	Disagree	Strongly Disagree

27) Uganda clays products are value priced products.

Strongly Agree	Agree	Not Sure	Disagree	Strongly Disagree

28) Perception about unfairness of price of a Uganda Clays Products lays an impact on the consumers' decision to buy or not to buy a particular product.

Strongly Agree	Agree	Not Sure	Disagree	Strongly Disagree

b) Which other pricing strategies does Uganda Clays Limited use?

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29) Availability of the market greatly affects the kind of marketing strategy to be used and thus a major determinant of sales performance.

Strongly Agree	Agree	Not Sure	Disagree	Strongly Disagree

30) Government policies dictate the kind of marketing strategies to be used and the levels of sales performance

Strongly Agree	Agree	Not Sure	Disagree	Strongly Disagree

31) The number of competitors greatly impact on the kind of marketing strategies Uganda Clays Limited must use so as to be competitive.

Strongly Agree	Agree	Not Sure	Disagree	Strongly Disagree

Appendix II

INTERVIEW GUIDE

1. What are some of the challenges that are faced by the marketing department at Uganda Clays Limited?

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2. How often is product innovation carried out at Uganda Clays Limited?

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3. How does promotion impact on the sales performance of Uganda clays Limited?

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- b) How has Uganda Clays limited promoted its products in order to make them profitable?

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4. Is the pricing criteria used by Uganda Clays Limited favorable?

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5. What other marketing strategies does Uganda Clays Limited have in place?

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6. How do government policies affect your operations?

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7. What is your comment on the market potential for clay building materials in Uganda Clays Limited?

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8. How sustainable is the Ugandan Market?

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9. How competitive are clay products for Uganda Clays Limited?

Appendix III